

Date: 1/7/2011
Regarding: Disclosure of Real Estate Prices

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To whom it may concern:

Zillow.com is a leading real estate information website, focused on helping consumers make smarter decisions about real estate. Each month, more than 13 million individual consumers visit Zillow; 80 percent of them own homes, and two-thirds are buying or selling homes now or in the near future. In addition to providing consumers with valuations and price history of individual homes, Zillow publishes information about real estate markets at the national, regional and local levels. Zillow's data is used extensively by government and academic researchers who are seeking to better understand the housing market.

In states where home sales are a matter of public record, Zillow is able to publish a great deal of information about regional and local housing markets, giving consumers, real estate and mortgage professionals, industry and academic researchers, and investors important insights into what is happening in real estate markets. Furthermore, transparency of home prices not only empowers individual consumers with the information needed to make educated decisions about their finances, but is of interest to all taxpayers. Since most jurisdictions in this country collect property taxes based on the value of homes, the matter of home prices is a collective issue, not just an issue for an individual homeowner. Since taxes are based on home values, all taxpayers have a vested interest in having increased transparency in home sales.

On the other hand, non-disclosure of real estate prices minimizes consumer information and hinders decision-making. Over the past several years, we have all clearly witnessed the housing market's impact on individual consumers, as well as on the greater economy. Non-disclosure of underlying price information robs consumers of the ability to determine the state of a local housing market, which in turn robs them of the ability to make informed decisions about their finances and investment decisions.

There are a number of additional issues with non-disclosure of real estate prices that you should carefully consider:

- Without disclosure of sale prices and true market-based assessed values, there is greater potential for errors in tax assessment values.
 - o Homes with similar values can have different effective property tax rates because of these errors.
 - o It is quite possible that these errors are more disadvantageous for middle and lower income homeowners who may not have the resources to appeal their property tax assessments.
- In states where sale prices are not disclosed, the process of arriving at property tax assessments is opaque. This can lead homeowners to more often challenge their property tax assessments, which in turn leads to increased administrative costs for the taxing authority.
- Non-disclosure of sale prices complicates land valuation for public land sales and exchanges and in eminent domain cases. Therefore, it is more difficult for governments and municipalities to arrive at a fair market value.

The main argument used by proponents of non-disclosure of sale prices is that it protects the privacy of home buyers and sellers. However, the vast majority of states have taken the view that these concerns are outweighed by the public benefit of transparency in real estate – a view which Zillow strongly endorses on behalf of our millions of satisfied customers.

Sincerely,

Stan Humphries
Zillow Chief Economist